

# **VARIABLE RATE CREDIT CARD AGREEMENT AND TRUTH IN LENDING DISCLOSURE**

In this Variable Rate Credit Card Agreement and Truth in Lending Disclosure (Agreement), the words you and your mean each and all of those who applied for the Card. Card means the Credit Card or Cards for which you applied and any duplicates or renewals we issue. Account means this open-end revolving line of credit account established pursuant to this Agreement. Charges are posted to the Account from the use of the Card, information from the Card or any other device or procedure by which the Account can be accessed. We, us and our mean Hudson Valley Federal Credit Union (HVFCU).

## **RESPONSIBILITY**

You agree to repay all charges, purchases, cash advances and finance charges arising from the use of the Card and the Account. For example, you are responsible for charges made by yourself, your spouse, and minor children. You are also responsible for charges made by anyone else to whom you give the Card, and this responsibility continues until the Card is recovered. You cannot disclaim responsibility by notifying us, but we will close the Account for new transactions if you so request and return all Cards. Your obligation to pay the Account balance continues even though an agreement, divorce decree, or other court judgment to which we are not a party may direct you or one of the other persons responsible to pay the Account.

If you have requested an authorized user on your Card, you agree to be responsible for all charges made by yourself and your authorized user. You understand the authorized user is not the person liable for debts incurred with the use of the Card, and that you are the person solely responsible for the Account.

## **GOVERNING LAW**

This agreement is made in New York and shall be governed by the laws of the State of New York to the extent that New York law is not inconsistent with controlling Federal law. New York's choice of law rules shall not be applied if that would result in the application of non-New York Law.

## **CREDIT LINE**

We have established a revolving line of credit for you and will notify you of the credit limit when we issue the Card. You agree not to let the Account balance exceed this approved credit line. Each payment you make on your Account will restore your credit line by the amount of the payment, which is applied to principal. If you request an increase to your credit limit and we approve the request, your use of the Card constitutes acceptance of the increased line. By giving you written notice we may reduce your credit line, or with good cause, revoke your Card and terminate this agreement. Good cause includes your failure to comply with this agreement, or an adverse re-evaluation of your creditworthiness. You may also terminate this agreement at any time, but termination by either of us does not affect your obligation to pay the Account balance. The Card remains our property and you must recover and surrender to us all Cards upon our request and upon termination of this agreement.

## **USING THE CARD**

You understand that the use of your Card will constitute acknowledgment of receipt and agreement to the terms of this Agreement.

To make a purchase, you and any authorized user may use the Card by presenting it to a participating VISA merchant or provide the Card information for purchases not made in person. To make a cash advance, there are two alternative procedures to be followed. One is for you and any authorized user to present the Card to a participating VISA merchant, to us or to another financial institution, and sign the sales or cash advance draft which will be imprinted with your Card. The other is to complete the transaction by using your Personal Identification Number (PIN) in conjunction with the Card in an Automated Teller Machine (ATM) or other type of electronic terminal that provides access to the Visa system. You may make cash withdrawals that total \$1000.00 per day either individually or in aggregate. This service may not be available at all machines. Dollar amounts available may vary between machines.

## **INACTIVITY**

At the time your Card is due to expire, if your Account has been inactive for a period of 23 months, we will not reissue another Card and your Account will be closed. You will then be required to re-apply and be re-qualified to use a Card.

## **ISSUANCE OF PERSONAL IDENTIFICATION NUMBER**

We will issue you a Personal Identification Number (PIN) for use with your Card. This PIN is confidential and should not be disclosed to anyone. In the event a use of your PIN constitutes an electronic funds transfer, the terms and conditions of your Electronic Funds Transfer Disclosure &

Agreement apply.

## **LIABILITY FOR UNAUTHORIZED USE**

You may be liable for unauthorized use of your Card.

You will not be liable for unauthorized use that occurs after you notify us of the loss, theft, or other unauthorized use. In any case, your liability will not exceed \$50.00 for unauthorized cash advances at ATMs, and zero liability for unauthorized purchases made with your Card. In order to qualify for the zero liability, you must not have been negligent or fraudulent in the handling of the Account.

In case of loss or theft, call the credit union immediately at 845-463-3011.

## **MONTHLY PAYMENT**

We will mail you a statement every month showing your previous balances of purchases and cash advances, the current transactions on your Account, the remaining credit available under your credit line, the new balances of purchases and cash advances, the total new balance, the finance charge due to date, and the minimum payment required. Every month you must pay at least the minimum payment within 25 days of your statement closing date. You may pay more frequently, pay more than the minimum payment, or pay the total new balance in full, and you will reduce the finance charge by doing so. The minimum payment will be either (a) 2% of your total new balance, or \$10.00, whichever is greater, or (b) your total new balance, if it is less than \$10.00, plus (c) any portion of the minimum payment(s) shown on prior statement(s) which remains unpaid. In addition, at any time your total new balance exceeds your credit line, you must immediately pay the excess upon our demand. Payments made to your Account will be applied in the following order: fees, finance charges, purchases, and cash advances. We may accept checks marked "payment in full" or with words of similar effect without losing any of our rights to collect the full balance of your Account with us.

## **FINANCE CHARGE**

### *HOW TO AVOID PAYING INTEREST ON PURCHASES:*

Your due date is at least 21 days after the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire new balance by the due date each month.

### *HOW WE WILL CALCULATE YOUR BALANCE:*

We use a method called "Average Daily Balance (including new purchases)".

### *HOW WE CALCULATE YOUR BALANCE AND INTEREST CHARGE ON BALANCES:*

We figure the interest charge on your Account by applying the applicable Periodic Rate to the "Balance Subject to Interest Rate" which is the "Average Daily Balance" of your Account for each feature category, including certain current transactions. Feature categories include purchases, balance transfers, cash advances and promotional balances. These calculations may combine different feature categories with the same "Monthly Periodic Rates". The "Average Daily Balance" for each feature category is arrived at by taking the beginning balance of such feature category each day and adding any new transactions to the balance, except we will not include new purchases if you have paid in full the New Balance on your previous statement by the Payment Due Date or if the New Balance on your previous statement was zero. Cash advances incur an interest charge from the date they are posted to your Account. We then subtract any payments or credits and unpaid interest or other "Finance Charges" allocated to the feature category balance for the day. This gives us the daily balance for such feature category. The daily balances for such feature category are then added together and divided by the number of days in the billing cycle. The result is the "Average Daily Balance" for such feature category. The interest charge is determined by multiplying the "Average Daily Balance" by the monthly periodic rate. If your periodic rate is computed using an index, your periodic rate(s) may vary. The Payment Due Date will be no less than 21 days after we have sent you your current monthly statement. For your Account to be considered current and to avoid a late payment fee, you must pay at least the Minimum Payment Due this period and any Past Due Amount by the due date shown on your statement.

For all Cards, the current Monthly Periodic Rate and the corresponding interest rate will be disclosed to you in a separate letter enclosed with this Agreement/Disclosure.

## **VARIABLE RATE**

Your Account is subject to a Variable Rate. Your **ANNUAL PERCENTAGE RATE (APR)** may increase (or decrease) if our index, the Wall Street Journal Prime Rate in effect on the fifth to last business day of the month increases (or decreases). When a range of rates is published in the Wall Street Journal on that day, the index will be the highest rate. Each month, the new index rate is added to the margin (disclosed separately in the letter enclosed) to calculate the **ANNUAL PERCENTAGE RATE**. The **ANNUAL PERCENTAGE RATE**, when changed, affects your entire balance and is effective the first full statement cycle following the change in the Prime Rate. The **ANNUAL PERCENTAGE RATE** will never be more than NCUA's rate ceiling. We will not accumulate unused index rate increases and decreases. Changes in the **ANNUAL PERCENTAGE**

**RATE** will result in more (or fewer) payments. We may change the index with proper notice to you.

In accordance with federal regulation, for Card balance transfers conducted in certain situations such as, changing from one product to another within this credit union, the amount of the transferred balance will remain at the variable **ANNUAL PERCENTAGE RATE** in effect for the product from which the balance was transferred. For example, if you wish to change from a Point Rewards Visa Platinum Card to a Cash Rewards Visa Platinum Card and this change results in transferring the balance remaining on the Point Rewards to the Cash Rewards, the variable **ANNUAL PERCENTAGE RATE** of the Point Rewards must remain in effect on the amount transferred until such time that portion of the balance is paid in full and all future transactions will be charged the variable **ANNUAL PERCENTAGE RATE** in effect for the Cash Rewards product. This does not apply in situations when your Card requires replacement, for example if your Card is compromised, lost, stolen, etc.

#### **CHANGE IN TERMS**

We have the right to change any of the terms of this Agreement, including but not limited to rates and fees, at any time. You will be given notice of a change as required by applicable law. Any change in terms governs your Account as of the effective date, and will, as permitted by law and at our option, apply both to transactions made on or after such date and to any outstanding Account balance. We may amend the Annual Percentage Rate on your Account, based on the results of our obtaining and evaluating your credit information. Use of your Account may constitute agreement to any change in terms.

#### **RETURNS AND ADJUSTMENTS**

Merchants and others who honor the Card may give credit for returns or adjustments, and they will do so by sending us a credit, which we will post to your Account. If your credits and payments exceed what you owe us, we will hold and apply this credit balance against future purchases and cash advances, or if it is one dollar or more, refund it on your written request or automatically after 6 months.

#### **FOREIGN TRANSACTIONS**

Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. The conversion into dollars will be made in accordance with the operating rules for international transactions established by Visa, USA, Inc. and may occur on a date other than the date of the transaction; therefore, the currency conversion rate may be different than the rate in effect at the time of the transaction.

We do not determine the currency conversion rate that is used nor do we receive any portion of the currency conversion rate. You agree to pay the converted amount.

The exchange rate to dollars will be a rate that is in effect for the applicable central processing date and is selected either from the range of rates available in wholesale currency markets; or the government mandated rate. An International Transaction Fee of 1% of the transaction amount will be assessed and will be shown independently of the transaction on your billing statement.

#### **CONSENSUAL SECURITY INTEREST (Shares/deposits as Security)**

**To secure performance of your obligations under this Agreement, you hereby grant us a security interest in all individual and joint share/deposit account(s) that you may have with us from time to time and in any other money that we may owe you. You understand and intend that by reason of such security interest here granted, we may satisfy your indebtedness under this Agreement by charging your share/deposit account(s) maintained with us if you default in payment under the Agreement, without further notice to you. This security interest does not apply to any Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given as security.**

#### **CROSS COLLATERAL**

To secure your Account, you grant us a purchase money security interest under the Uniform Commercial Code (UCC) in any goods you purchase through the Account, except property used for personal, family or household purposes. Any collateral securing other loans with us (other than your principal dwelling) will also secure advances made under this Agreement. If you default, we will have the right to recover any of these goods, which have not been paid for through our application of your payments in the manner described under the paragraph Monthly Payments, as provided in this Agreement.

#### **MERCHANT DISPUTES**

We are not responsible for the refusal of any merchant, financial institution, or automated equipment to honor or accept your Card.

We are subject to claims and defenses (other than tort claims) as described under **YOUR BILLING RIGHTS**.

## **DEFAULT**

*You will be in default if:*

- you fail to make any minimum payment within 25 days of your statement date;
- you fail to live up to the terms and conditions of this Agreement and Truth-in-Lending Disclosure;
- your creditworthiness is impaired;
- you die, become insolvent, or are the subject of bankruptcy or receivership proceedings;
- you have made a misrepresentation in connection with the Card application and/ or this Agreement, or;
- you are in default on any other loan with us.

If you are in default, we have the right to terminate this Agreement and demand immediate payment of your full Account balance, subject to our giving you any notice required by law. To the extent permitted by law, you will also be required to pay our collection expenses, including court costs and reasonable attorney fees.

## **CREDIT INFORMATION**

You authorize us to disclose information regarding your Account to credit bureaus and other creditors who inquire of us about your credit standing. You also authorize us to request and use a report(s) from outside credit reporting agencies in considering your original request for credit or in connection with renewal or continuation of the credit for which you have applied. If you request it, we will tell you whether or not we asked for such a report, and if we have, give you the name and address of the agency or agencies.

## **EFFECT OF AGREEMENT**

This agreement will be effective when you or an authorized user uses the Card or the Account, or if you fail to cut your Card in half and return it to us within 30 days after it is issued to you. This agreement applies to all transactions on your Account even though the sales, cash advance, credit, or other slips you sign or receive may contain different terms.

## **FEES**

If you fail to make any minimum payment within 35 days of the statement date, a late fee will be imposed as set forth in the *fee schedule*.

Your Card is also subject to other applicable fees as set forth in the *fee schedule*.

The *fee schedule* accompanies this Agreement and Disclosure and is incorporated by this reference. We will charge such fees against your Account.

## **NO WAIVER**

We can delay enforcing any of our rights any number of times without losing them.

## **STATEMENTS**

Statements and notices will be mailed to you at the most recent address given to us. Notice sent to any one of you will be considered notice to all. The monthly statement will identify the merchant, electronic terminal or financial institution at which transactions were made, but sales, cash advance, credit, or other slips cannot be returned with the statement. You should retain the copy of such slips furnished at the time of the transaction in order to verify the monthly statement.

## **ACCOUNT BALANCE RESTRICTIONS**

In order to be approved for and maintain a Secured Visa Account, you agree to give us a specific pledge of shares which will equal your credit limit. You may cancel your Secured Visa Account at any time without penalty and redeem your pledged shares by paying any amounts borrowed through the use of your Card. In order to be certain that your entire balance and all advances on your Account are paid, any shares pledged may not be available for 30 days after you have cancelled your Account and any outstanding balance is paid in full.

## **AUTOMATIC PAYMENT SERVICE**

If you requested to have your Card payment made automatically, your payment will be made 25 days after the statement print date. If the payment date falls on a weekend or holiday, the payment will be made the next processing day. Payments will be based on the ending balance from the previous month's statement.

If you wish to cancel this service, you may notify us either by calling or writing, at any time, up to 3 business days before the scheduled date of the transfer. You must follow up any oral notification, in writing, within 14 days of the oral notification.

### **ILLEGAL USE OF FINANCIAL SERVICES**

Any financial service provided by the credit union may be used for any transaction permitted by law. You agree that illegal use of any financial service will be deemed an action of default and/or breach of contract and such service and/or other related services may be terminated at our discretion. Illegal use includes, but is not in any way limited to, unlawful Internet gambling. You further agree, should illegal use occur, to waive the right to sue us for such illegal activity directly or indirectly related to it. You also agree to indemnify and hold the credit union harmless from any suits or other legal action or liability, directly or indirectly, including credit union expenses associated with defense of such law suits or other legal action, including attorney fees, resulting from such illegal use.

### **BLOCKING CARDS AND/OR REFUSAL TO AUTHORIZE TRANSACTIONS**

We may block this Card due to the appearance of unusual spending behaviors or block transactions originating in certain domestic or international regions where there is a high volume of fraud.

### **CONVENIENCE CHECKS**

You can access your revolving line of credit to purchase goods and services or to obtain cash up to the amount of your credit limit through the use of convenience checks. Use of your convenience checks is a cash advance on your Account and is subject to a \$10,000 daily limit. We are not required to honor a convenience checks that will cause you to exceed your credit limit. We will not pay a convenience check if at the time the check is presented, you are in default or we have suspended, terminated or cancelled your Account. Each convenience check must be in the form we have issued to you. Convenience checks may be used only by the person whose name is printed on the check. You are responsible for all authorized use of your convenience check. You may not use a convenience check to pay any amount which you owe us under your Account. Your monthly statement will show you an itemization of the convenience checks posted to your Account during the billing cycle. Convenience checks paid by us will not be returned to you with your monthly statement. You may order a stop payment on a convenience check by notifying us orally or in writing. Oral notices must be confirmed in writing within fourteen (14) days. Written stop payment orders will remain in effect for six (6) months, but may be renewed for an additional six (6) month period by written notice during the time the stop payment order was effective. We will charge a fee when we place a stop payment on your check(s). Convenience checks are the property of the credit union. We reserve the right to revoke them at any time. You agree to return them at our request.

### **INTEGRATED DOCUMENTS**

Any separate sheet of paper, which is delivered to you with this Agreement, is an integrated part of this Agreement and Disclosure.

### **HOLDER IN DUE COURSE NOTICE (IF APPLICABLE)**

**NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.**

### **YOUR BILLING RIGHTS - KEEP THIS DOCUMENT FOR FUTURE USE**

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

#### *WHAT TO DO IF YOU FIND A MISTAKE ON YOUR STATEMENT:*

If you think there is an error on your statement, write to us at:

*Hudson Valley Federal Credit Union  
159 Barnegat Rd.  
Poughkeepsie, NY 12601*

You may also contact us on the web at [hvfcu.org](http://hvfcu.org) and click on "Contact Us."

In your letter, give us the following information:

*Account information:* Your name and account number.

*Dollar amount:* The dollar amount of the suspected error.

*Description of problem:* If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

Within 60 days after the error appeared on your statement.

At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors *in writing* or electronically. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

*WHAT WILL HAPPEN AFTER WE RECEIVE YOUR LETTER:*

When we receive your letter, we must do two things:

1. Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.
2. Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

While we investigate whether or not there has been an error:

We cannot try to collect the amount in question, or report you as delinquent on that amount.

The charge in question may remain on your statement, and we may continue to charge you interest on that amount.

While you do not have to pay the amount in question, you are responsible for the remainder of your balance.

We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen:

*If we made a mistake:* You will not have to pay the amount in question or any interest or other fees related to that amount.

*If we do not believe there was a mistake:* You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.

*YOUR RIGHTS IF YOU ARE DISSATISFIED WITH YOUR CREDIT CARD PURCHASES:*

If you are dissatisfied with the goods or services that you have purchased with your Card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the purchase.

To use this right, all of the following must be true:

1. The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than \$50. (Note: Neither of these are necessary if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services.)
2. You must have used your Card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your Card Account do not qualify.
3. You must not yet have fully paid for the purchase.

If all of the criteria above are met and you are still dissatisfied with the purchase, contact us in writing at:

Hudson Valley Federal Credit Union  
159 Barnegat Rd.  
Poughkeepsie, NY 12601

or electronically at hvfcu.org and click on "Contact Us".

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay, we may report you as delinquent.

## Disclosure Information for Visa Platinum, Point Rewards Visa Platinum, & Cash Rewards Visa Platinum

### Credit Card Account Opening Disclosure

Interest Rates and Interest Charges	Visa Platinum	Point Rewards Visa Platinum	Cash Rewards Visa Platinum
<b>Annual Percentage Rate (APR) for Purchases</b>	11.25% to 17.25% This APR will vary with the market based on the Prime Rate	12.25% to 18.00% This APR will vary with the market based on the Prime Rate	13.25% to 18.00% This APR will vary with the market based on the Prime Rate
<b>APR for Balance Transfers</b>	<b>11.25% to 17.25%</b> This APR will vary with the market based on the Prime Rate	<b>12.25% to 18.00%</b> This APR will vary with the market based on the Prime Rate	<b>13.25% to 18.00%</b> This APR will vary with the marked baset on the Prime Rate
<b>APR for Cash Advances</b>	<b>11.25% to 17.25%</b> This APR will vary with the market based on the Prime Rate <sup>1</sup>	<b>12.25% to 18.00%</b> This APR will vary with the market based on the Prime Rate <sup>1</sup>	<b>13.25% to 18.00%</b> This APR will vary with the market based on the Prime Rate <sup>1</sup>
<b>Penalty APR and When it Applies</b>	<b>None</b>  Your due date is at least 25 days from the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month. We will begin charging interest on cash advances and balance transfers on the transaction date.	<b>None</b>  Your due date is at least 25 days from the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month. We will begin charging interest on cash advances and balance transfers on the transaction date.	<b>None</b>  Your due date is at least 25 days from the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month. We will begin charging interest on cash advances and balance transfers on the transaction date.
<b>Paying Interest</b>			
<b>For Credit Card Tips from the Consumer Financial Protection Bureau</b>	To learn more about factors to consider when applying for or using a credit card, visit the website of the <a href="#">Consumer Financial Protection Bureau</a> .	To learn more about factors to consider when applying for or using a credit card, visit the website of the <a href="#">Consumer Financial Protection Bureau</a> .	To learn more about factors to consider when applying for or using a credit card, visit the website of the <a href="#">Consumer Financial Protection Bureau</a> .
<b>Fees</b>			
<b>Transaction Fees</b>			
Foreign Transaction	Exchange Rate plus <b>1%</b> of transaction	Exchange Rate plus <b>1%</b> of transaction	Exchange Rate plus <b>1%</b> of transaction
<b>Penalty Fees</b> Late Payment	up to <b>\$29</b>	up to <b>\$29</b>	up to <b>\$29</b>

**How We Will Calculate Your Balance:** We use a method called "average daily balance" (including purchases, cash advances and balance transfers). See the Variable Rate Credit Card Agreement and Truth-in-Lending Disclosure for more details.

**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights are provided in the Variable Rate Credit Card Agreement and Truth-in-Lending Disclosure.

Your new credit card has a variable rate. Additional rate information is as follows:

	Visa Platinum	Point Rewards Visa Platinum	Cash Rewards Visa Platinum
MONTHLY PERIODIC RATE FOR APR SHOWN			
ABOVE FOR PURCHASES, CASH ADVANCES, AND BALANCE TRANSFERS	0.9375% TO 1.4375%	1.0208% TO 1.5000%	1.1041% TO 1.5000%
MARGIN	8.00% TO 14.00%	9.00% TO 15.00%	10.00% TO 16.00%

The Annual Percentage rate and monthly periodic rate above is in effect until the next monthly change. Refer to your Variable Rate Credit card Agreement and Truth-in-Lending Disclosure for more information regarding your variable rate.